

**Senate Finance, Ways & Means Committee Amendment No. 2**

**Amendment No. 5 to SB2315**

**Henry  
Signature of Sponsor**

<b>FILED</b>
Date _____
Time _____
Clerk _____
Comm. Amdt. _____

**AMEND Senate Bill No. 2315**

**House Bill No. 2331\***

in Section 1, Title III-21, of the printed bill by deleting line items 17, 18, and 19 in their entirety and substituting instead the following:

- 17. State Employee Salary Increase - 7/1/05.....24,000,000.00
- 18. Higher Education Salary Increase - 7/1/05.....21,000,000.00
- 19. State Employee Classification Compensation.....7,200,000.00

and by adjusting the total accordingly.

AND FURTHER AMEND by deleting in its entirety Item 4 from Section 11 of the printed bill and by substituting a new Item 4 to read:

Item 4. From the amounts herein appropriated to the Department of Education in Section 1, Title III-9, Item 2.1c, the Basic Education Program, the sum of \$41,400,000 is for the purpose of providing a 2% salary improvement for all positions generated within the Basic Education Program formula for each local education agency.

AND FURTHER AMEND by deleting in its entirety Section 49 of the printed bill and by substituting a new Section 49 to read:

Item 1. From the appropriation made in Section 1, Title III-21, Item 17, for a state employee salary increase, it is the legislative intent to provide a two percent (2%) across-the-board salary increase effective July 1, 2005, for each state employee and to adjust the appropriate salary ranges in a like manner. The salary increase is not applicable to employees in positions which come under the provisions of a statutorily mandated pay plan; provided, however, that employees who come under the provision of a statutorily mandated plan shall be paid in accordance with the provisions of such statutory plan.

Item 2. It is the legislative intent that the across-the-board salary increase shall apply to all state employees unless an employee is denied on the basis of unsatisfactory

work performance, which shall be set forth in a statement from the head of the department or agency detailing the circumstances surrounding the denial, which shall be sent to the affected employee. The person shall have the opportunity to respond either orally or in writing to the head of the department or agency or their designee. If the denial is sustained, such letter must be filed with the Commissioner of Personnel. Provided, however, that employees who are compensated at range minimums shall receive any increase caused by the adjustment of the range minimums, notwithstanding the provisions of this item to the contrary.

Item 3.

(a) In addition to the sum of \$1,187,800 appropriated to the Department of Safety in Section 1, Title III-20 for salary survey raises, there is appropriated the additional sum of \$1,187,800 for salary survey raises, including \$1,184,200 from the general fund and \$3,600 from dedicated funds. From the two appropriations in the sum of \$2,375,600, it is the legislative intent that the survey portion of the commissioned officer pay plan in the Department of Safety as referenced in Tennessee Code Annotated, Section 4-7-205, shall be implemented at 100% of the value of the current survey effective July 1, 2005.

(b) In addition to the sum of \$903,200 appropriated to the Tennessee Wildlife Resources Agency in Section 1, Title III-6 for salary increases, there is appropriated a sum sufficient for salary increases. It is the legislative intent that the survey portion of the Tennessee Wildlife Resources Agency pay plan shall be implemented at 100% of the value of the current survey effective July 1, 2005.

Item 4. The appropriation made in Section 1, Title III-21, Item 19, for State Employee Classification Compensation, is made to address employee compensation issues. Prior to allocating this appropriation, the Commissioner of Personnel and the Commissioner of Finance and Administration shall submit to the Speaker of the Senate, the Speaker of the House of Representatives, the Chairmen of the Finance, Ways and Means Committees of the Senate and the House of Representatives and the Office of

Legislative Budget Analysis a plan for allocation of this appropriation to the state agencies.

Item 5. From the appropriation made in Section 1, Title III-21, Item 18, for a higher education systems salary increase, it is the legislative intent that the appropriation be allocated to the higher education systems to provide a salary increase effective July 1, 2005. It is also the legislative intent that salary increases pursuant to this item shall be across-the-board to all higher education employees in an equal amount or percentage increase. Prior to the distribution of these funds, the executive director of the Tennessee Higher Education Commission, the President of the University of Tennessee system and the Chancellor of the Board of Regents shall submit to the Speaker of the Senate, the Speaker of the House of Representatives, the Chairs of Finance, Ways and Means Committees of the Senate and House of Representatives and the Office of the Legislative Budget Analysis a plan for eligibility and distribution of these funds.

AND FURTHER AMEND by adding the following section to be appropriately numbered:

SECTION \_\_\_\_\_. In addition to the appropriations made in Section 1 of this act, the following appropriations are made in the fiscal year beginning July 1, 2005:

Item 1. In addition to appropriations made in Section 1, Title III-25 of this act to the Department of Finance and Administration - TennCare Program, there are appropriated the sums of \$26,200,000.00 (recurring) and \$78,000,000.00 (non-recurring), contingent upon satisfaction of the conditions contained in the "Memorandum of Understanding", dated April 26, 2005, reached by the State of Tennessee with TennCare enrollee attorneys and stakeholders in *Grier v. Goetz*, No. 79-3107 (M.D. Tenn.). It is the legislative intent that these appropriations are made for the sole purpose of creating a new waiver-based spend down program and maximizing Ryan White funds, consistent with the terms of the Memorandum of Understanding. The expenditure of these appropriations for purposes other

than the implementation of the Memorandum is prohibited without approval of the General Assembly.

Item 2. To Miscellaneous Appropriations the sums of \$53,900,000 (recurring) and \$22,500,000 (non-recurring) to provide health safety net funds during the TennCare disenrollment process. From this appropriation sums sufficient are authorized to be allocated and transferred to the appropriate organizational units and programs of state government by the Commissioner of Finance and Administration for the health safety net and, if the bill becomes law, to provide for the expenditures authorized by Senate Bill 2300 / House Bill 2321; and the Commissioner of Finance and Administration is authorized to adjust authorized positions and departmental revenues accordingly.

Item 3. The provisions of this item shall take effect upon becoming law, the public welfare requiring it. The appropriations in this item are in addition to the appropriations made in Chapter 961, Public Acts of 2004, and in this act. To the Department of Finance and Administration, TennCare Program, and the Department of Human Services the sum of \$4,900,000 hereby is appropriated in the fiscal year ending June 30, 2005, to fund the TennCare disenrollment appeals process. The unexpended balance of this appropriation at June 30, 2005 is hereby reappropriated to be expended in the 2005-2006 fiscal year, and the unexpended balance shall be carried forward into the fiscal year beginning July 1, 2005. There is further appropriated the sum of \$20,600,000 for the same purpose in the fiscal year beginning July 1, 2005. The Commissioner of Finance and Administration is authorized to allocate these appropriations to the appropriate organizational units and programs of state government, to adjust departmental revenues accordingly, and to establish authorized positions as required.

AND FURTHER AMEND by deleting in its entirety Section 54 of the printed bill and by substituting a new Section 54 to read:

SECTION 54. From the funds appropriated in Section 1, Title III-17 to the Department of Human Services, it is the legislative intent to recognize a reduced caseload cost estimate of \$10,000,000 in the TANF program. It is further the legislative intent to allocate \$6,600,000 to fund the annual adjustment in the TANF standard of need and the associated costs of cash assistance, transportation and child care and to allocate \$3,400,000 for child care reimbursements.

AND FURTHER AMEND by adding the following section to be appropriately numbered:

SECTION \_\_\_\_\_. The provisions of this section shall take effect upon becoming law, the public welfare requiring it. In addition to the appropriations made in Chapter 961, Public Acts of 2004, and in this act, the following items are appropriated in the fiscal year ending June 30, 2005:

Item 1. To the Department of Education the sum of \$9,700,000 to fund the BEP two percent (2%) enrollment growth factor. There is further appropriated the sum of \$5,000,000 for the same purpose in the fiscal year beginning July 1, 2005.

Item 2. To Miscellaneous Appropriations the sum of \$15,300,000 to recognize the base over-appropriation requirement in the general fund of \$104,600,000 in the 2004-2005 fiscal year. From this appropriation sum sufficients are authorized to be allocated and transferred to organizational units and programs of state government by the Commissioner of Finance and Administration.

AND FURTHER AMEND Section 47, Item 2 of the printed bill by adding a sentence at the end of the paragraph to read:

Provided, it is the legislative intent that the Revenue Fluctuation Reserve be set at a level of not less than \$324,700,000 on June 30, 2006.

AND FURTHER AMEND by adding the following section to be appropriately numbered:

SECTION \_\_\_\_\_. In addition to the appropriations made in Section 1 of this act, there is hereby appropriated:

Item 1. To the Department of Economic and Community Development the sum of seven million dollars (\$7,000,000) for the Jobs Package.

Item 2. To the Department of Military the sum of \$60,000 to fund survivors health insurance. This appropriation is subject to Senate Bill 2320 / House Bill 2336 becoming law.

Item 3. To the Department of Correction, 1985 Sentencing Act, the sum of \$2,832,100 for incarceration costs of sentencing guidelines changes. There is further appropriated to the Administrative Office of the Courts the sum of \$65,500 (recurring) and \$4,500 (non-recurring) to fund one position. This appropriation is subject to Senate Bill 2249 / House Bill 2262 becoming law.

Item 4. To the Department of Revenue the sum of \$74,000 (non-recurring) for Sales Tax Holiday programming costs. This appropriation is subject to Senate Bill 2294 / House Bill 2314 becoming law.

Item 5. To the Department of Correction, 1985 Sentencing Act, the sum of \$1,800 for the incarceration cost of the Underground Storage Tanks law. This appropriation is subject to Senate Bill 2257 / House Bill 2271 becoming law.

Item 6. To Miscellaneous Appropriations the sums of \$100,000 (recurring) and \$50,000 (non-recurring) to be allocated to the Tennessee Bureau of Investigation and the Department of Environment and Conservation to develop and maintain methamphetamine registries.

Further, the appropriation to Miscellaneous Appropriations for the incarceration cost of the methamphetamine initiative is reduced in the amount of \$482,100. This appropriation and reduction of appropriation is subject to Senate Bill 2318 / House Bill 2334 becoming law.

Item 7. To the Department of Correction, 1985 Sentencing Act, the sum of \$214,900 for incarceration costs related to criminal penalties for aggravated child abuse or neglect, subject to Senate Bill 504 / House Bill 918 becoming law.

Item 8. To the Department of Correction, 1985 Sentencing Act, the sum of \$107,400 for incarceration costs related to criminal penalties for sexual offenses involving the spouse as a victim, subject to Senate Bill 556 / House Bill 1116 becoming law.

Item 9. To the Department of Correction, 1985 Sentencing Act, the sum of \$21,100 for incarceration costs related to criminal penalties for stalking second offenses, subject to Senate Bill 1914 / House Bill 1701 becoming law.

Item 10. To the Board of Probation and Parole the sum of \$3,309,400 for the following purposes: additional positions for fifty (50) probation and parole officers and five (5) supervisors (\$2,021,500); community corrections grant increases to fund fifteen (15) positions in the local programs (\$475,700); and an operating increase in community corrections (\$812,200).

Item 11. To the Department of Agriculture the sum of \$3,000,000 for a farm improvement program.

Item 12. To the State Museum the sum of \$200,000 (non-recurring) to support an exhibit of European masterpieces, the Rau collection.

Item 13. To the Department of Finance and Administration the sum of \$600,000 (non-recurring) for initial planning of a new state museum. This is a capital outlay appropriation.

Item 14. To the Legislature the sums of \$2,000,000 (recurring) and \$2,000,000 (non-recurring) for technology upgrades, telecommunications equipment and software and operating costs.

Item 15. To the Comptroller of the Treasury the sum of \$126,400 for the Education Accountability Office and to establish 2 positions.

Item 16. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$810,000 to the Department of Human Services for the sole purpose of allocating such sum in equal grants to each of the nine (9) human resource agencies.

Item 17. To the Department of Human Services the sum of \$150,000 for the sole purpose of allocating such sum in equal grants to each of the ten (10) community action agencies.

Item 18. To the Department of Children's Services the sum of \$250,000 to fund five (5) child advocacy centers at \$50,000 each.

Item 19. To the Department of Finance and Administration, Criminal Justice Programs, the sum of \$655,000 (non-recurring) to fund the Davidson County Drug Court.

Item 20. To the Department of Education the sum of \$50,000 (non-recurring) to be granted to Tennessee History for Kids for the purpose of establishing a web site to provide internet-based curriculum resources for instruction in Tennessee history.

Item 21. To the Department of Education the sum of \$67,500 for the Science Alliance museums grant program.

Item 22. To the Tennessee Historical Commission the sum of \$60,000 (non-recurring) for a grant to the Ladies Hermitage Association.

Item 23. To the Department of Commerce and Insurance, the sum of \$250,000 for the purpose of establishing a controlled substance monitoring program pursuant to TCA Title 53, Chapter 10, Part 3.

Item 24. To the Department of Economic and Community Development, the sum of \$50,000 for the state to be represented in its official capacity as host of a national meeting. This appropriation is non-recurring and shall not revert to the general fund at June 30, 2006.

Item 25. To the Tennessee Board of Regents the sum of \$750,000 (non-recurring) for the University of Memphis School of Law to develop a plan to address issues cited by the American Bar Association. This is a capital outlay appropriation.



Item 26. To the Department of Finance and Administration, the sum of \$250,000 (non-recurring) for a joint University of Tennessee-Vanderbilt University project at the Joint Institute for Heavy Ion Research at the Oak Ridge National Laboratory. This appropriation is for capital outlay for a new Center for Theoretical Nuclear Research at the institute.

Item 27. In addition to the appropriation made in Section 1, Title III-30, there is hereby appropriated to the state funding board the amount of \$150,000 (non-recurring) for the purpose of securing professional accounting assistance for the state veterans' homes board in connection with the agreement entered into under Section 4(1) of Chapter 313, Public Acts of 2003.

Item 28. To the Department of Environment and Conservation, State Parks, the sum of \$100,000 to fund five (5) full-time and one (1) part-time positions at Tims Ford State Park. In addition to this appropriation, there is appropriated \$200,000 in departmental revenue.

Item 29. To the University of Memphis the sum of \$250,000 (non-recurring) for curriculum development for the Benjamin Hooks Institute.

AND FURTHER AMEND in Section 1, Title III-21, of the printed bill by deleting line items 3.2, 22, and 23 in their entirety and substituting instead the following:

3.2 Retired Teachers Insurance	10,800,000.00
22. Group Health Insurance Premium – 1/1/06	11,700,000.00
23. Deferred Compensation 401K Match - State Employees	2,178,000.00

and by deleting in its entirety the following:

Total Title III-21	\$145,825,800.00
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and substituting instead the following:

Total Title III-21	\$140,074,800.00
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AND FURTHER AMEND in Section 1, Title III-9, of the printed bill by deleting line item 2.1c in its entirety and substituting instead the following:

c. BEP and Other LEA Support	\$2,940,553,200.00
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and by deleting in their entirety the following:

Subtotal State Programs	\$3,063,280,700.00
Total Kindergarten, Elementary and Secondary	\$3,104,819,300.00
Total Title III-9	\$3,145,202,400.00

and substituting instead the following:

Subtotal State Programs	\$3,060,980,700.00
Total Kindergarten, Elementary and Secondary	\$3,102,519,300.00
Total Title III-9	\$3,142,902,400.00

AND FURTHER AMEND in Section 12 of the printed bill by inserting the following new item:

Item 7. In addition to any other funds appropriated by the provisions of this act, a sum sufficient is appropriated from dedicated revenues raised by each of the following bills, if the bill becomes law: Senate Bill (SB) 2268 / House Bill (HB) 2270, relative to Department of Correction rehabilitation and supervision fees; SB 2280 / HB 2295, relative to Board for Licensing Health Care Facilities; and SB 2289 / HB 2305, relative to Department of Safety rebuilt vehicle title fees. The Commissioner of Finance and Administration is authorized to allot the appropriations to the affected programs to the extent required for program operations.

AND FURTHER AMEND by deleting in its entirety Section 39 of the printed bill and substituting the following as a new Section 39:

SECTION 39: The provisions of this section shall take effect upon becoming law, the public welfare requiring it. There is hereby appropriated from departmental revenues and federal aid funds the amounts hereinafter set out:

	<u>2004-2005</u>	<u>2005-2006</u>
District Attorneys General Conference		
1. District Attorneys General	\$8,100	\$19,400
Secretary of State		
1. State Library and Archives	\$300,000	\$300,000
2. Regional Library System	0	150,000

3.	Economic Council on Women	0	10,000
	Total Secretary of State	\$300,000	\$460,000
Agriculture			
1.	Regulatory Services	\$30,200	\$241,000
Education (K-12)			
1.	Training and Professional Development	\$31,300	\$16,300
2.	Improving School Programs	0	275,000
3.	Tennessee School for the Blind	146,400	0
	Total Education (K-12)	\$177,700	\$291,300
Higher Education - State Administered Programs			
1.	Tennessee Higher Education Commission	\$0	\$57,900
Health			
1.	Communicable and Environmental Disease Services	\$16,200	\$96,900
2.	Women, Infants, and Children (WIC)	3,322,000	3,322,000
3.	Local Health Services	54,000	324,100
	Total Health	\$3,392,200	\$3,743,000
Human Services			
1.	Food Stamp Benefits	\$0	\$68,000,000
2.	Family Assistance Services	44,500	267,100
	Total Human Services	44,500	68,267,100
	GRAND TOTAL	\$3,952,700	\$73,079,700

The Commissioner of Finance and Administration is authorized to establish 19 full-time and one part-time positions, to reclassify one position from part-time to full-time, and to allocate them to the appropriate organizational units, including two positions in the Department of Health for bioterrorism preparedness and response in the Laboratory Services and Local Health Services programs. At June 30, 2005, any unexpended balances of departmental revenues and federal

aid funds appropriated in this section are hereby reappropriated in the fiscal year beginning July 1, 2005.

AND FURTHER AMEND by deleting from Section 41, Item 1, of the printed bill the sub-items (1)(c), (1)(d) and (2) and substituting instead new sub-items to read:

(c) An amount up to but not exceeding \$150,000 for the daycare program for children of state employees as administered by the Department of Human Services, provided that allotment of funds under this sub-item is subject to approval of the Commissioner of Finance and Administration; and

(d) An amount up to but not exceeding \$110,000 to fund the administrative costs of the state employee sick leave bank administered by the Department of Personnel; and

(2) There is hereby appropriated in Section 1, Title III-21, of this act the sum of \$2,178,000 for the twenty dollar (\$20) match for state employees compensated on the centralized state payroll system if the amount appropriated from the employer FICA tax savings from the Section 125 cafeteria plan is insufficient.

AND FURTHER AMEND Section 41 of the printed bill by adding the following new items:

Item \_\_\_\_\_. From the appropriations in Section 1 of this act to the Department of Transportation, the sum of \$60,000 is appropriated for a biofuels refueling facilities grant program, subject to Senate Bill 2061 / House Bill 1740 becoming law, and the Commissioner of Finance and Administration is authorized to adjust federal and other departmental revenues as available for the program.

Item \_\_\_\_\_. There is hereby appropriated a sum sufficient to the Department of Agriculture, Division of Forestry, from the proceeds of revenue allocated under the provisions of Tennessee Code Annotated, Section 11-14-305(b)(3) pertaining to the sale and replacement of real property.

Item \_\_\_\_\_. In addition to the appropriation in Section 4, Title III-4, Item 2, of this act to the Department of Tourist Development, Welcome Centers program, the sum of \$400,000 is appropriated from departmental revenues for night-time security staffing,

such appropriation to Welcome Centers being additional interdepartmental revenue from the highway fund.

Item \_\_\_\_\_. In addition to the appropriations in Section 4, Title III-5, of Chapter 961, Public Acts of 2004, and of this act, there hereby is appropriated a sum sufficient from the state park fund under the provisions of Tennessee Code Annotated, Title 11, Chapter 3, Part 3.

Item \_\_\_\_\_. There is hereby appropriated to the Department of Economic and Community Development a sum sufficient from interest earnings allocated to the FastTrack programs. This appropriation is subject to Senate Bill 2272 / House Bill 2287 becoming law.

Item \_\_\_\_\_. In the fiscal years ending June 30, 2005 and June 30, 2006 there is hereby appropriated a sum sufficient to the Tennessee Film, Entertainment and Music Commission from departmental revenues received by the Commission. This appropriation is subject to approval by the Commissioner of Finance and Administration.

Item \_\_\_\_\_. In addition to the appropriation made in Section 4, Title III-27, Item 4, to the Facilities Revolving Fund for capital outlay, there is appropriated the sum of \$1,500,000 for continuation of the elevator/escalator upgrades within the Capitol complex.

Item \_\_\_\_\_. Subject to the approvals of the commissioner of finance and administration and the director of the office of legislative administration, there is hereby transferred two positions and related funding from the office of the comptroller of the treasury to the office of legislative budget analysis.

Item \_\_\_\_\_. From the appropriations made to the District Attorneys General in Section 1, Title III-1, Item 2.3, of Chapter 961, Public Acts of 2004, and of this act, the Commissioner of Finance and Administration is authorized to transfer to the Department of Human Services for the IV-D Child Support program amounts not to exceed \$329,200 in fiscal year 2004-2005 and \$438,500 in fiscal year 2005-2006. The Commissioner of Finance and Administration may adjust departmental revenues in both agencies

accordingly and establish 21 additional full-time positions and reclassify one part-time position to full-time in the District Attorneys General, IV-D Child Support Enforcement program.

Item \_\_\_\_\_. From the appropriations made in Section 1, Title III-1, Item 4 of this act to the District Public Defenders Conference, the Commissioner of Finance and Administration is authorized to transfer \$107,600 from the District Public Defenders to the Executive Director and to establish one additional full-time position for organizational restructuring.

Item \_\_\_\_\_. Subject to the approval of the commissioner of finance and administration, from unexpended funds appropriated to the comptroller of the treasury in the general appropriation act for the year ending June 30, 2005, a sum sufficient, not to exceed \$125,000, may be carried forward to complete the survey of educational attitudes and awareness by the office of education accountability.

Item \_\_\_\_\_. In the fiscal year ending June 30, 2005, the Department of Economic and Community Development is authorized to carry forward a sum not to exceed \$50,000 to host a small business conference in fiscal year 2005-2006. This carry forward and reappropriation is subject to the availability of funds and approval by the Commissioner of Finance and Administration.

Item \_\_\_\_\_. In the fiscal year ending June 30, 2005, the Department of Economic and Community Development is authorized to carry forward a sum not to exceed \$500,000 for improvements to the department's enterprise systems. This carry forward and reappropriation is subject to the availability of funds and approval by the Commissioner of Finance and Administration.

Item \_\_\_\_\_. Any unexpended funds appropriated by Section 12, Item 904 of Chapter 1135, Public Acts of 1998, are hereby reappropriated to the City of Memphis, Division of Housing and Community Development for the Park Avenue project.

Item \_\_\_\_\_. From the funds appropriated in Section 1, Title III-9, Item 2.1e, to the Department of Education for the Teach Tennessee initiative, the Commissioner of Finance and Administration is authorized to establish two (2) full-time positions.

AND FURTHER AMEND by adding a new item to Section 43 of the printed bill to read:

Item \_\_\_\_\_. In the fiscal year ending June 30, 2005, the appropriations made in Section 1, Title III-17 of the 2004 Appropriations Act to the Department of Human Services to fund programs or services for temporary assistance shall be reduced in an amount equal to the unexpended and unobligated balances of the appropriations. The reductions shall be made to recognize overappropriation savings in programs or services for temporary assistance in the fiscal year ending June 30, 2005.

AND FURTHER AMEND in Section 48 of the printed bill by inserting the following appropriately numbered new item at the end of the section:

Item \_\_\_\_\_. Subject to the availability of revenue from intergovernmental transfers occurring in fiscal year 2005-2006, there is hereby appropriated to TennCare a sum sufficient in the fiscal year ending June 30, 2006, for Nursing Facility Disproportionate Share Payments, incentive payments to local governments, an increase in payments to Level I and Level II facilities to the 65th percentile, and to the TennCare Reserve. It is the intent that the Long Term Care Global Budget for fiscal year 2005-2006 be increased for such payments.

AND FURTHER AMEND in Section 52 of the printed bill by deleting the words and figure "four million dollars (\$4,000,000)" and inserting in lieu thereof the following:

the balance available in the after-school programs special account at June 30, 2005, and such balance hereby is appropriated for expenditure in the fiscal year beginning July 1, 2005

AND FURTHER AMEND by adding the following section to be appropriately numbered:

SECTION \_\_\_\_\_. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. From the appropriations made in Sections 1 and 4 of this act and made in Sections 1 and 4 of Chapter 961, Public Acts of 2004 to the

Department of Commerce and Insurance, Division of Insurance, it is the legislative intent to recognize base level funding of \$7,479,700 in the fiscal years ending June 30, 2005 and June 30, 2006. It is further the legislative intent that expenditures in excess of the \$7,479,700 base level shall be funded from the increase in revenues generated by Chapter 333, Public Acts of 2001 which established funding appropriated to the Division of Insurance in the fiscal year ending June 30, 2001 as the base level.

AND FURTHER AMEND Section 3 of the printed bill by adding a new item to read:

Item \_\_\_\_\_. The appropriation made in Section 1, Title III-31, Item 5 of this act to the Department of Finance and Administration – Mental Retardation in the amount of \$520,000 for capital outlay is intended to fund full planning of 25 residential homes in statewide locations.

AND FURTHER AMEND by deleting in its entirety Item 7 from Section 43 of the printed bill and substituting instead a new Item 7 to read:

Item 7. In the fiscal year ending June 30, 2006, subject to authorization in Senate Bill No. 2312 / House Bill No. 2327, if such bill becomes a law, or to authorization in other law, an amount of \$65,800,000 shall be transferred to the general fund from the Department of Transportation funds in the highway fund or other funds. Provided, further, that a non-recurring amount of \$10,000,000 shall be transferred to the Department of Transportation funds from non-recurring general fund revenues.

AND FURTHER AMEND by adding the following section to be appropriately numbered:

SECTION \_\_\_\_\_. There are appropriated all tax revenues which are allocated by statute in accordance with the provisions of such statutes. The provisions of this section shall apply to all statutes becoming a law prior to July 1, 2006.

AND FURTHER AMEND by directing the Engrossing Clerk that it is the legislative intent to correct the following editorial notation and formatting errors in the printed bill; and it also is the legislative intent that this directive paragraph, including items “(a)” and “(b),” not be inserted or printed in the engrossed bill:

(a) In section 26, Item 7, delete the editorial notation, “Deleted: Third,” that was inserted



in the margin by electronic software editing function.

- (b) In Section 29, Item 23, correct the formatting of the four columns of figures in accordance with the memorandum of February 24, 2005, from the Commissioner of Finance and Administration to the Chairmen of the Finance, Ways and Means committees of the Senate and House of Representatives.

AND FURTHER AMEND By adding the following section to be appropriately numbered:

SECTION \_\_\_\_\_. The provisions of this section shall take effect on becoming law, the public welfare requiring it. In addition to the appropriations made in Section 1, Title III-25 in this act, there is appropriated a sum sufficient to the Department of Finance and Administration - TennCare Program to fund essential providers, including doctors, hospitals and other providers, in the fiscal year beginning July 1, 2005. Prior to the establishment of an appropriation under the provisions of this section, the Commissioner of Finance and Administration shall submit a plan of expenditure to the Chairmen of the Senate and House Finance, Ways and Means committees for review and comment. This appropriation shall be non-recurring and is subject to the availability of funds in the fiscal year ending June 30, 2005, it being the legislative intent to fund this item from excess funds available in the fiscal year ending June 30, 2005.

AND FURTHER AMEND by adding the following section to be appropriately numbered:

SECTION \_\_\_\_\_. In addition to the appropriations made in Section 1 of this act, there is hereby appropriated:

Item 1. To the Department of Finance and Administration, Criminal Justice Programs, the sum of \$75,000 (non-recurring) for planning grants for three (3) additional residential drug court programs at \$25,000 each.

Item 2. To the Department of Human Services, the sum of \$165,000 for the sole purpose of allocating such sum in equal grants to each of eleven (11)

community action agencies (CAA), which will make the total number of such CAA grants in this act equal twenty-one (21).

Item 3. To the Department of Finance and Administration a sum not to exceed \$500,000 (non-recurring) to fund an evaluation of smart card technology in state government.

AND FURTHER AMEND By adding the following language as a new section:

SECTION \_\_\_\_\_. In the fiscal year ending June 30, 2005, there shall be reserved the sum of not less than \$117,700,000. It is the legislative intent that such amount be carried forward into FY 2005-06 to fund various non-recurring appropriations in such year. This section shall take effect upon becoming a law, the public welfare requiring it.

AND FURTHER AMEND By deleting the following language from this amendment:

Item 2. To Miscellaneous Appropriations the sums of \$53,900,000 (recurring) and \$22,500,000 (non-recurring) to provide health safety net funds during the TennCare disenrollment process. From this appropriation sums sufficient are authorized to be allocated and transferred to the appropriate organizational units and programs of state government by the Commissioner of Finance and Administration for the health safety net and, if the bill becomes law, to provide for the expenditures authorized by Senate Bill 2300 / House Bill 2321; and the Commissioner of Finance and Administration is authorized to adjust authorized positions and departmental revenues accordingly.

Item 3. The provisions of this item shall take effect upon becoming law, the public welfare requiring it. The appropriations in this item are in addition to the appropriations made in Chapter 961, Public Acts of 2004, and in this act. To the Department of Finance and Administration, TennCare Program, and the Department of Human Services the sum of \$4,900,000 hereby is appropriated in the fiscal year ending June 30, 2005, to fund the TennCare disenrollment appeals process. The unexpended balance of this appropriation at June 30, 2005 is hereby reappropriated to be expended

in the 2005-2006 fiscal year, and the unexpended balance shall be carried forward into the fiscal year beginning July 1, 2005. There is further appropriated the sum of \$20,600,000 for the same purpose in the fiscal year beginning July 1, 2005. The Commissioner of Finance and Administration is authorized to allocate these appropriations to the appropriate organizational units and programs of state government, to adjust departmental revenues accordingly, and to establish authorized positions as required.

and by substituting instead the following:

Item 2. To Miscellaneous Appropriations the sums of \$76,900,000 (recurring) and \$28,900,000 (non-recurring) to provide health safety net funds during the TennCare disenrollment process. From this appropriation sums sufficient are authorized to be allocated and transferred to the appropriate organizational units and programs of state government by the Commissioner of Finance and Administration for the health safety net and, if the bill becomes law, to provide for the expenditures authorized by Senate Bill 2300 / House Bill 2321; and the Commissioner of Finance and Administration is authorized to adjust authorized positions and departmental revenues accordingly. In making these appropriations, it is the intent of the general assembly that funds be allocated to achieve the following goals:

(a) Address the unique needs of particularly vulnerable populations, such as the severely and persistently mentally ill (SPMI);

(b) Strengthen the primary health care delivery system, both public and private;

(c) Maximize the potential for obtaining matching funds under the TennCare program or other federal programs as well as leveraging other sources of funds, including discounted pricing arrangements.

Prior to allocation of such appropriations for any given "safety net" or "soft landing" purpose, the commissioner of finance and administration shall file a plan outlining such intended use with the chairmen of the house and senate finance, ways and means

committees. Funds shall not be allocated by the commissioner until written acknowledgement is received from such chairmen. It is the legislative intent that no less than \$4,600,000 (recurring) and \$1,400,000 (nonrecurring) be allocated to the federally qualified health center pool. It is the legislative intent that substantial funding for this item shall be revenue derived from senate bill 1360 / house bill 1410 and senate bill 2002 / house bill 1886, if such bills become law, and to the extent that such revenue is not derived, the commissioner of finance and administration is authorized to reduce such appropriations accordingly.

Item 3. The provisions of this item shall take effect upon becoming law, the public welfare requiring it. The appropriations in this item are in addition to the appropriations made in Chapter 961, Public Acts of 2004, and in this act. To the Department of Finance and Administration, TennCare Program, and the Department of Human Services the sum of \$4,900,000 is hereby appropriated in the fiscal year ending June 30, 2005, to fund the TennCare disenrollment appeals process. The unexpended balance of this appropriation at June 30, 2005 is hereby reappropriated to be expended in the 2005-2006 fiscal year, and the unexpended balance shall be carried forward into the fiscal year beginning July 1, 2005. There is further appropriated the sum of \$19,200,000 for the same purpose in the fiscal year beginning July 1, 2005. The Commissioner of Finance and Administration is authorized to allocate these appropriations to the appropriate organizational units and programs of state government, to adjust departmental revenues accordingly, and to establish authorized positions as required.

AND FURTHER AMEND By deleting the following language from this amendment:

Item 23. To the Department of Commerce and Insurance, the sum of \$250,000 for the purpose of establishing a controlled substance monitoring program pursuant to Title 53, Chapter 10, Part 3.

AND FURTHER AMEND By deleting line Items 17 and 18 in Section 1, Title III-21 in their entirety and by substituting instead the following:

Item 17. State Employee Salary Increase - 7/1/05.....36,000,000.00

Item 18. Higher Education Salary Increase - 7/1/05..... 31,500,000.00

and by adjusting the total accordingly.

AND FURTHER AMEND By deleting from Item 1 in Section 49 the language "two percent (2%)" and by substituting instead the following language "three percent (3%)".

AND FURTHER AMEND By designating the existing language of Item 5 in Section 49 in this amendment as subdivision (a) and by adding the following language as new subdivisions:

(b) In lieu of the salary distribution provided in subdivision (a), the university of Tennessee system may, from funds appropriated herein for salary increases for the university of Tennessee system, fund equity and/or merit adjustments; provided that each faculty member shall receive a minimum increase of 1.5% and all other employees shall receive a minimum increase of the greater of 3% or \$750.00. Prior to any such distribution of these funds, the president of the university of Tennessee system shall submit to the speaker of the senate, the speaker of the house of representatives, the chairs of finance, ways and means committees of the senate and house of representatives and the office of the legislative budget analysis a plan for eligibility and distribution of these funds.

(c) Additional general salary increases, if any, for employees of higher education that exceed the across-the-board salary increase provided in this item may only be granted from funds available to institutions of higher education if such increases are submitted to and approved by the board of trustees of the university of Tennessee or the board of regents, respectively. Such plans shall also be submitted to the commissioner of finance and administration and the office of legislative budget analysis.

AND FURTHER AMEND By adding the following language as a new item to Section 49:

Item \_\_\_\_\_. It is the legislative intent to acknowledge the issue of compression of state employees' salaries. The department of personnel is hereby directed to conduct a joint study with the representatives of the Tennessee state employees association. This study shall address the issue of compression as well as the development of a

comprehensive pay plan. The department shall report its findings and recommendations to the governor, the speaker of the senate, the speaker of the house of representatives and the chairs of the house and senate finance, ways and means committees prior to October 15, 2005.

AND FURTHER AMEND By deleting the following language from this amendment:

Item 2. To the department of military the sum of \$60,000 to fund survivors health insurance. This appropriation is subject to senate bill 2320 / house bill 2336 becoming law.

AND FURTHER AMEND By adding the following language to Section 10 as new items:

Item \_\_\_\_.

(a) From the funds appropriated to the department of transportation, there is earmarked a sum sufficient for the sole purpose of implementing Chapter 14 of the Public Acts of 2005, Chapter 35 of the Public Acts of 2005, Chapter 116 of the Public Acts of 2005, Chapter 132 of the Public Acts of 2005, Chapter 122 of the Public Acts of 2005, Chapter 34 of the Public Acts of 2005, house joint resolution 242, and senate joint resolution 151.

(b) From the funds appropriated to the department of transportation, there is earmarked a sum sufficient for the sole purpose of implementing senate bill 204 / house bill 861, house joint resolution 265, house joint resolution 368, senate joint resolution 161 and senate joint resolution 196, if such bills and resolutions become law.

Item \_\_\_\_ From the funds otherwise appropriated by the provisions of this act, there is earmarked a sum sufficient from the funds appropriated to the department of military for the sole purpose of implementing the provisions of senate bill 2320 / house bill 2336, relative to survivors health insurance, if such bill becomes law.

Item \_\_\_\_\_. From the funds otherwise appropriated by the provisions of this act, there is earmarked a sum sufficient from the funds appropriated to the registry of election finance for the sole purpose of implementing the provisions of senate bill 582 / house bill 1587, relative to electronic lobbyist registration and reporting, if such bill becomes law.

Item \_\_\_\_\_. From the funds otherwise appropriated by the provisions of this act, there is earmarked a sum sufficient from the funds appropriated to the department of environment and conservation for the sole purpose of implementing the provisions of house joint resolution 272, relative to naming the inn at Fall Creek Falls State Park, if such resolution becomes law.

Item \_\_\_\_\_. From the funds otherwise appropriated by the provisions of this act, there is earmarked a sum sufficient from the funds appropriated to the military department for the sole purpose of implementing the provisions of house joint resolution 668, relative to naming the Covington armory, if such resolution becomes law.

Item \_\_\_\_\_. From the funds otherwise appropriated by the provisions of this act, there is earmarked a sum sufficient from the funds appropriated to the department of environment and conservation for the sole purpose of implementing the provisions of Chapter 145 of the Public Acts of 2005, relative to naming the conference facility at Paris Landing State Park.

Item \_\_\_\_\_. From the funds otherwise appropriated by the provisions of this act, there is earmarked a sum sufficient from the funds appropriated to the department of education for the sole purpose of implementing the provisions of senate bill 696 / house bill 1104, relative to JROTC instructors, if such bill becomes law.

Item \_\_\_\_\_. From the funds otherwise appropriated by the provisions of this act, there is earmarked a sum sufficient from the funds appropriated to the department of commerce and insurance for the sole purpose of implementing the provisions of senate bill 122 / house bill 321, relative to volunteer firefighters killed in the line of duty, if such bill becomes law.

Item \_\_\_\_\_. From the funds otherwise appropriated by the provisions of this act, there is earmarked a sum sufficient from the funds appropriated to the department of financial institutions for the sole purpose of implementing the provisions of senate bill 1346 / house bill 662, relative to the mortgage broker/lender licensing act, if such bill becomes law.

Item \_\_\_\_\_. From the funds otherwise appropriated by the provisions of this act, there is earmarked \$25,000 from the funds appropriated to the Tennessee wildlife resources agency for the sole purpose of making repairs at Crockett Bottoms in Obion County.

Item \_\_\_\_\_. From the funds otherwise appropriated by the provisions of this act, there is earmarked the sum of \$8,400 from the funds appropriated to the district attorneys general conference for the sole purpose of compensation adjustment for any part-time assistant district attorney in the twenty-seventh judicial district.

Item \_\_\_\_\_. From the June 30, 2005, reversion made by the department of state, there is appropriated an amount not to exceed \$300,000 to the state building commission for pre-planning of a new state library and archives building.

Item \_\_\_\_\_. It is the legislative intent that any undergraduate tuition increase at any state institution of higher education shall be limited to no more than twice the amount of inflation growth (CPI-U) for the previous calendar year as measured by the consumer price index. It is the legislative intent to recognize the 2004 inflation growth rate at 3.26%.

Item \_\_\_\_\_. From funds available to the Department of Health from sources other than state revenues, there shall be earmarked a sum sufficient, not to exceed \$150,000, for the sole purpose of implementing senate bill 247 / house bill 445, relative to public school children at risk of obesity, if such bill becomes a law.



Item \_\_\_\_\_. From the funds appropriated to the department of education, there is earmarked the sum of \$150,000 for the sole purpose of providing funding to the Tennessee Arts Academy.

AND FURTHER AMEND by adding the following new items at the end of Section 12:

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated a sum sufficient to the department of finance and administration for distribution to the appropriate entities for the sole purpose of implementing senate bill 2102 / house bill 2082, senate bill 432 / house bill 267, senate bill 851 / house bill 745, senate bill 1752 / house bill 252, senate bill 2196 / house bill 2156, senate bill 772 / house bill 1566, senate bill 316 / house bill 364, senate bill 879 / house bill 857, senate bill 578 / house bill 1584, senate bill 1534 / house bill 2128, senate bill 1629 / house bill 669, senate bill 60 / house bill 36, senate bill 631 / house bill 425, senate bill 2210 / house bill 2012, senate bill 1831 / house bill 963, senate bill 638 / house bill 656, senate bill 812 / house bill 320, senate bill 184 / house bill 588, senate bill 181 / house bill 110, senate bill 985 / house bill 99, senate bill 1596 / house bill 509, senate bill 1251 / house bill 1086, senate bill 560 / house bill 381, senate bill 1785 / house bill 1673, senate bill 2152 / house bill 2130, senate bill 516 / house bill 625, house joint resolution 115, house joint resolution 348, house joint resolution 559, and senate joint resolution 80, if such bills and resolutions become law. It is the legislative intent that if funding is earmarked for such implementation in such bills or resolutions that the funds appropriated in this item be reduced accordingly.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated a sum sufficient to fund all bills, with an estimated first year's funding of \$100,000 or less, which become law. It is the legislative intent that if such bills are otherwise funded by the provisions of this act that the funds appropriated in this item be reduced accordingly.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated a sum sufficient for the sole purpose of implementing the

provisions of Chapter 102 of the Public Acts of 2005, relative to restrictions and disclosures on certain activities by public officials.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$95,000 (recurring) for the sole purpose of implementing the provisions of senate bill 193 / house bill 1404, relative to grants for alcohol, tobacco and other drug prevention programs for youth, if such bill becomes law.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$5,000 to the office of legislative administration for the sole purpose of making a grant in such amount to be used for the Ned McWherter mock youth legislature.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$150,000 to the department of finance and administration for the sole purpose of enhancing public access to governmental proceedings.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$400,000 to the department of state for the sole purpose of making grants of not more than \$10,000 each to not-for-profit museums across the state which make application for such grants to be used for development and continuation of operations. Such funds shall be administered as follows:

(a) Applications for such grants shall be submitted to the secretary of state prior to October 1, 2005;

(b) Funds available for such grants shall be divided equally among the grant applicants to the maximum grant amount of \$10,000 each. If any funds remain after the initial grants, successive grant periods shall be opened for applications on a quarterly basis until the funds are expended and shall be granted under the same terms and conditions as the original grants;

(c) Such funds shall not revert at the end of any fiscal year, but shall remain available until expended for such purpose;

(d) Museums which receive other funds under the provisions of this act are eligible to apply for and receive grants pursuant to the provisions of this appropriation.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$95,000 (non-recurring) to the department of health for the sole purpose of contracting, on a one-for-one matching basis, for health education services or programs for males with a nonprofit organization whose mission is health awareness for males; provided, however, that such a nonprofit organization has been established in Tennessee prior to January 1, 2004, and has received funding through the vitamin supplement settlement of June 2003 administered by the Tennessee Attorney General's office. The organization must have experience with general health outreach and education activities for males in Tennessee, including activities for the general population and the underserved living in Tennessee.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$100,000 to the arts commission for the sole purpose of making a grant in such amount to the Stax Museum in Memphis, to be used for acquisitions, operating expenses, and other improvements.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$350,000 to the department of economic and community development to host the NCSL annual conference in Nashville, Tennessee.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated \$30,000 to the department of veterans affairs for the sole purpose of allocating \$2,500 to each branch office that contains a certified service officer, to be used for operational expenses and enhancements.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$100,000 to the Tennessee Technology Center at Whiteville for the sole purpose of improvements, acquisitions and operating costs.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$200,000 to the department of finance and administration for the sole purpose of making a grant in such amount to the juvenile court of Weakley County, to be used for the development and implementation of a methamphetamine outpatient treatment pilot project. It is the legislative intent that such project establish a goal of reducing the number of children who become wards of the state due to the incarceration of such children's parent or parents. It is the legislative intent that the juvenile court of Weakley County work in consultation with the juvenile courts of Henry and Carroll Counties in the development and implementation of such pilot project.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$250,000 (recurring) to Section 1, Title III-10, Item 3.4c, for the purpose of supporting the operation of an off-campus educational site for teacher's education and other purposes.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$35,000 to the department of finance and administration for the sole purpose of making a grant in such amount to a model teen pregnancy prevention program. It is the legislative intent that such grant shall be subject to the submission and approval of a plan to the commissioner.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$10,000 to the Tennessee historical commission for the sole purpose of historical interpretation at properties listed on the national register of historic places in Henderson County.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$1,000,000 to the administrative office of the courts for the purpose of increasing funding for the indigent defense fund.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$50,000 to the department of correction for the sole purpose of providing additional funding for the Tennessee Sex Offender Treatment Board and Sex Offender Fund.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$308,100 to the Tennessee State Museum, to be allocated as follows:

(A) Salaries and benefits for the following three positions -

(i) Museum preparator -	\$ 29,400
(ii) Museum curator of extension services -	39,350
(iii) Museum curator of history and technology -	39,350

(B) Restoration of operating expenses -	200,000
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Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$481,700 to the department of correction for the sole purpose of funding six (6) drug dog teams and handlers, as well as related training and equipment costs. It is the legislative intent that \$193,500 of the amount appropriated by this item shall be non-recurring.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$131,700 to the department of veterans affairs for the sole purpose of funding the following positions in order to meet the needs of veterans and families:

(a) One Veterans Claims Specialist 2, and one Veterans Benefits

Representative 2, to compensate for additional claims filed by veterans from Iraq and Afghanistan; and

(b) One Administrative Services Assistant 2 and one Administrative Assistant 1, to comply with the financial integrity act and segregation of duties.

Item \_\_\_\_\_. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$60,000 to the department of safety for the sole purpose of restoring one driver license testing center previously closed in Bedford County. The amount appropriated by this item shall be expended by the department only if the county donates suitable space for locating such testing center.

AND FURTHER AMEND By deleting the following language from Section 41:

In addition to the appropriation in Section 4, Title III-4, Item 2, of this act to the Department of Tourist Development, Welcome Centers program, the sum of \$400,000 is appropriated from departmental revenues for night-time security staffing, such appropriation to Welcome Centers being additional interdepartmental revenue from the highway fund.

AND FURTHER AMEND By adding the following new item at the end of Section 29:

Item \_\_\_\_\_. It is the legislative intent that the level of appropriations made pursuant to the Geier desegregation settlement be continued into Fiscal Year 2006-2007.

AND FURTHER AMEND By deleting Section 52 in its entirety and by substituting instead the following language:

#### SECTION 52.

Item 1. From the lottery for education account, the after-school programs special account, and other accounts and sub-accounts established pursuant to Tennessee Code Annotated, title 4, chapter 51, the Tennessee education scholarship implementation law, sums sufficient hereby are appropriated for the higher education scholarship programs and other education programs authorized by that law and by Tennessee code annotated, title 49, chapter 4, part 9, relative to higher education scholarships; title 49, chapter 6, part 1, relative to early childhood education and pre-kindergarten programs; title 49, chapter 6, part 7, relative to after-school educational programs; senate bill 1315 / house bill 1532, relative to lottery scholarships and programs, if such bill becomes law,

and senate bill 973 / house bill 838 relative to after-school programs, if such bill becomes a law. The appropriations from these sources for pre-kindergarten and early childhood education programs shall not exceed twenty-five million dollars (\$25,000,000) and for after-school programs shall not exceed the balance available in the after-school programs special account at June 30, 2005, and such balance hereby is appropriated for expenditure in the fiscal year beginning July 1, 2005; provided that in both cases the appropriation is contingent upon the availability of funds in the proper account and upon the availability of excess funds from net lottery proceeds, after the funding of higher education scholarships. The availability of excess funds shall be determined by the commissioner of finance and administration prior to the distribution of any excess funds. A copy of such determination shall be filed with the chairs of the select committee on the Tennessee education lottery corporation and the office of legislative budget analysis.

Item 2. Lottery scholarship award amounts for the 2005-2006 academic year shall be:

- (a) \$3,300 for an eligible student under the HOPE scholarship award pursuant to §49-4-914(a);
- (b) \$1,650 for an eligible student under the HOPE scholarship award pursuant to §49-4-914(b);
- (c) \$1,500 for an eligible student under the need-based supplemental award pursuant to §49-4-915;
- (d) \$1,000 for an eligible student under the general assembly merit scholar supplemental award pursuant to §49-4-916; and
- (e) \$1,250 for an eligible student under the Wilder-Naifeh technical skills grant pursuant to §49-4-921.

The award amount for an eligible student under the Tennessee HOPE access grant shall be determined in accordance with the provisions of §49-4-920. It is the legislative intent that the provisions of this item shall be conformed to any award amounts established by the provisions of senate bill 1315 / house bill 1532, if such bill becomes law.

AND FURTHER AMEND By deleting Section 53 in its entirety.

AND FURTHER AMEND By deleting the following language from this amendment:

Item 11. To the Department of Agriculture the sum of \$3,000,000 for a farm improvement program.

and by substituting instead the following language:

Item 11. To the Department of Agriculture the sum of \$5,000,000 for a farm improvement program; provided that \$2,000,000 shall be non-recurring.

AND FURTHER AMEND By adding the following language as a new section:

Section \_\_\_\_\_. Notwithstanding any provision of this act to the contrary, a direct appropriation to a non-governmental agency or entity shall not be disbursed until the recipient has filed with the head of the agency through which such disbursement is being made a plan specifying the proposed use of such funds and the benefits anticipated to be derived therefrom. As a prerequisite to the receipt of such direct appropriation, the recipient shall agree to provide to the agency head, within ninety (90) days of the close of the fiscal year within which such direct appropriation was received, an accounting of the actual expenditure of such funds including a notarized statement that the report is true and correct in all material respects; provided, however, that the head of the agency through which such disbursement is being made may require, in lieu of the accounting as provided above, an audited financial statement of the non-governmental agency or entity. A copy of such accounting or audit, as the case may be, shall be filed with the office of the Comptroller of the Treasury.

AND FURTHER AMEND By adding the following language as a new section:

SECTION \_\_\_\_.

Item 1. In addition to any other funds appropriated by this act, there are hereby appropriated the following sums for purposes of funding the provisions of senate bill 1227 / house bill 2125 relative to increasing the matching contribution to the 401(k) program:

(a) Department of Finance & Administration .....\$1,633,000



(b) University of Tennessee ..... 504,900

(c) State Board of Regents ..... 770,100

Pursuant to senate bill 1227 / house bill 2125, the state shall match contributions to the 401(k) program on a dollar-for-dollar basis, up to thirty dollars (\$30.00) per month. The appropriation made in this item is subject to senate bill 1227 / house bill 2125 becoming a law. It is acknowledged that funding for this item results from passage of senate bill 500 / house bill 962.

Item 2. In addition to any other funds appropriated by this act, there is hereby appropriated a sum sufficient to pay debt service on bonds authorized by senate bill 2409 / house bill 2014. The appropriation made in this item is subject to such bill becoming a law. The proceeds of such bond issue shall be allocated to fund projects noted as Tennessee higher education commission priorities number seven (7) through fourteen (14) and to fund a grant to relocate the currently permitted discharge point from the facilities project, as provided in such bond bill.

Item 3. In addition to any other funds appropriated by this act, there is hereby appropriated the sum of fifteen million dollars (\$15,000,000) for purposes of providing capital outlay funding for certain projects on higher education campuses. The funds appropriated by this item shall be allocated to such projects as determined by the commissioner of finance and administration.

AND FURTHER AMEND By adding the following language as a new section:

SECTION \_\_\_\_.

(a) It is the legislative intent that, each year henceforth, the state's nine (9) development districts shall be identified as a separate line item within the proposed budget of the department of economic and community development.

(b) Notwithstanding any provision of this act to the contrary, there is appropriated a sum sufficient to restore state funding for each of the nine (9)

development districts to the level annually appropriated during the period of 1985 to 2003.

(c) Appropriations of state funding made in this act to the state's nine (9) development districts shall not be reduced, except in conjunction with an across-the-board percentage reduction applicable to multiple departments and agencies.